



**PRESS
RELEASES**

Fri Apr 8, 2005

Palladon Ventures Ltd. Announces Private Placement to Purchase Iron Mine

Palladon Ventures Ltd. (the "Company") announces that it has arranged a US\$13 million convertible debenture facility with Luxor Capital Group ("Debenture Facility") to finance the acquisition of the Comstock/Mountain Lion Iron Project in Utah (the "Iron Project"), as previously announced. The Debenture Facility would consist of 5% Convertible Notes (the "Notes") with a term of five years and would include the granting of up to 7,800,000 share purchase warrants (the "Warrants") to Luxor Capital Group and/or its affiliates. The transaction is subject to shareholder and TSX Venture Exchange approval.

The principal amount of the Notes would be convertible into common shares at a conversion price of \$0.90 per share. As a result, if fully converted the Notes would result in the issuance of up to approximately 17.7 million common shares at current C\$ - US\$ exchange rates. The Warrants will have a term of two years with an exercise price of \$0.99 per share. The proceeds of the Debenture Facility would include working capital for the development of the Iron Project and the purchase of the interests of Western Utah Copper Company in the Iron Project, currently the joint venture partner of the Company. The terms of the Debenture Facility would include the holding of the Iron Project in a new subsidiary of the Company to be owned 50% by the Company and 50% by Luxor Capital Group.

Palladon is negotiating for the extension of the closing of the purchase of the Iron Project until April 15, 2005. In the event that Exchange or shareholder approval for the Debenture Facility is not obtained by the time required for closing, the parties are preparing documentation for secured interim financing pending the obtaining of such approvals.

For further information, please contact:

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ON BEHALF OF THE BOARD OF DIRECTORS
OF **PALLADON VENTURES LTD.**
per: "George S. Young"

George S. Young, President, Director

The TSX Venture Exchange has not reviewed and does not take responsibility for the adequacy or accuracy of the contents hereof.

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